"HOW NEWSPAPER ADS SELECT CUSTOMERS" REVISITED

The Continuing Study of Advertising Performance
Second Wave: 1985-1986

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SECOND WAVE: 1985-1986

This study is one of a series of marketing research reports prepared by the Newspaper Advertising Bureau, Inc., as a service to the newspaper business and its advertisers. These reports form the basis of recommendations for the efficient use of the newspaper medium to meet the specific marketing needs of individual companies.

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BACKGROUND AND METHODOLOGY

In 1978, NAB began a series of surveys that were to become the first wave of the Continuing Study of Advertising Performance. The goal was to measure newspaper readers' exposure to advertisements, the likelihood of their buying what is advertised (product prospect status) and interest in ads themselves.

Between 1978 and 1981, 27 newspapers across the country volunteered to participate in the project. A total of 339 different ads were tested in interviews that yielded more than 50,000 responses. The cumulative results of the surveys were highlighted in a booklet How Newspaper Ads Select Customers, which is available from the Bureau.

The second wave of the Continuing Study began in late 1984 and continued through 1986. This report summarizes the results of the first eighteen surveys undertaken, which employed the questionnaire and survey guidelines developed by the Bureau, by sixteen different newspapers all over the United States (two of which did the survey twice).

The analysis of data for this report, the writing of the report and most of the work of coordinating individual studies from the Bureau was done by Dr. Leon Aron.

A minimum of 10 and a maximum of 15 ads were chosen for each survey by participating newspapers. On the day of publication a newspaper's readers were located either by random digit dialing or via subscribers' lists. Those who agreed to be interviewed and had that day's paper at home were asked to bring the edition to the phone.

The first objective of the interview was to measure ad exposure. Respondents were asked if they had read or looked at anything on each of the pages containing the ads (or if they had opened those pages at all).

After measuring page opening, readers were asked to go back to the first ad, and, while looking at it, answer three questions in the following order:

"Does this ad advertise anything for which you, yourself, would be a customer during the next year or so?"
(Definitely yes, maybe, or definitely no.)

"If you were a customer for the product or products advertised, would the advertiser be your first choice, a possible choice, or an unlikely choice?"

"Apart from your feelings about what is advertised, does the advertisement itself have any interest at all for you, or is it of no interest at all?"

All three questions were asked for every tested ad. Data were also collected on sex, age, education, and income of the respondents.

Despite the length of the interview (respondents had to go through a newspaper twice) and the fact that the entire survey had to be completed within a few hours (usually between 6 p.m. and 9 p.m. on the day of issue) only three out of the eighteen

surveys ended up with fewer than 150 respondents. The total number of respondents was 3,306; in all 195 different ads were measured.

HIGHLIGHTS

1. Page Opening Levels Are Very High.

About 4 out of 5 readers open an average newspaper page containing an ad.

There is almost no difference in the frequency of page opening between those who are interested in buying what is advertised on a page (product prospects) and those who are not (non-product prospects).

Readers' demographic characteristics are, likewise, largely unrelated to the page-opening levels.

2. Those Who Are Interested in a Product Are Also Likely to be Interested in the Ad for that Product.

Readers' interest in advertising is notably and consistently influenced by their product prospect status.

Those who plan on buying what is advertised are more likely to find interesting the average ad for that particular product. Newspaper ads thus continue to select the best customers for products.

While 3 out of 4 product prospects are interested, a sizable minority (almost 1 in 4) of non-product prospects are also interested.

3. Product Categories Influence Ad Interest.

Ads for different product categories result in vastly different levels of interest. These differences, furthermore, are just as large for non-product prospects as for prospects. Thus, regardless of whether or not a reader is currently in the market for a particular product, ads for some products are likely to be found more interesting than those for other products.

4. Brand or Store Orientation Influences Ad Interest--Even Among Non-Product Prospects.

Both among product prospects and non-product prospects, ad interest is affected by degree of preference for the store or brand advertised. Even those who are not currently in the market for particular products, apparently, distinguish between the advertised brands of such products as well as between outlets that sell them.

Whether or not they were product prospects, those for whom a brand or a store was "first choice" displayed higher levels of ad interest than those who thought they might be a "possible choice." Readers in both of these two choice categories were, in turn, considerably more interested in ads than those "unlikely" to buy the advertised brand or shop in the advertised store.

5. Copy Matters.

Even within the same product category, a number of specific copy elements can make a difference in readers' interest in advertisements.

6. Results of this Study Match the Earlier Study.

Newspaper audiences' exposure to advertisements, the interest in ads, and the likelihood of buying advertised products are remarkably consistent over time. In virtually every key area, the results of the second wave are extremely close to those established by the earlier series of Ad Performance surveys.

Such consistency is especially impressive in view of the fact that only four of the second-wave newspapers participated in the first series of Ad Performance surveys.

FINDINGS

Page Opening

Almost every reader comes face to face with the average ad. Four in five respondents (80%) said they had opened pages containing the tested ads. Moreover, as Table 1 shows, the page-opening levels established by the second wave are close to those uncovered by the Ad Performance I.

TABLE 1

	Wave I (1978-1979)	Wave II (1985-1986)
Total responses	(51,131)	(38,011)
Opened page	86%	80%
Did not open	14%	20%

Page-opening is not notably dependent on readers' demography. As Table 2 demonstrates, differences between demographic categories do not exceed 5 percentage points. For example, women are more likely to open a page than men. Additionally, those in the 55+ age group have a higher incidence of page-opening than those under 35.

TABLE 2

	Sex		Age		
	Male	Female	Under 35	35-54	55+
Opened page	77%	82%	77%	81%	82%

	Education			Income	
	High School	Some College	College Grad	Under $25,000	$25,000+
Opened page	82%	80%	78%	82%	78%

There are some differences in page-opening depending on the type of page. However, with the average page opening level at 80%, lower-than-average incidences of page-opening were registered only for such specialized sections as sports (70%) and business/finance (57%).

Higher-than-average levels, as one would expect, were found for thinner papers: 92% for two-sections papers as compared with 78% for ones containing seven sections.

Page opening does not seem to be notably affected by the day of the week or month of publication.

Furthermore, the incidence of readers' opening an ad-bearing page is likewise only slightly influenced by whether or not they are likely to buy what is advertised. Non-prospects display similarly high levels (82% vs. 78%) of page-opening as prospects (see Table 3).

TABLE 3

	Wave I (1978-1979)	Wave II (1985-1986)
Total responses	(51,131)	(38,011)
Prospect: (Would/Might be Customer)	50%	52%
Opened page	87%	82%
Did not open	13%	18%
Total	100%	100%
Non-Prospect: (Would not be Customer)	50%	48%
Opened page	84%	79%
Did not open	16%	21%
Total	100%	100

Prospect Status and Ad Interest

"Newspaper ads select customers." This was, perhaps, the most important finding of the first wave of the Ad Performance Study.

The 1986 wave confirmed what might be called the "prospect status/ad interest" rule. True for all product categories, it says that those who are most likely to buy a product are also most likely to be interested in ads for that product. For the sample as a whole, 74% of product prospects were interested, compared with 23% for non-product prospects. Again, the numbers are very close to those arrived at in the first wave, where 76% of prospects and 18% of non-prospects were interested.

The correlation between product prospect status and interest in advertisement becomes still more apparent when product prospect status is broken down by the categories of consumer brand or store choice, i.e., by whether a particular brand or store would be the readers' first, possible or unlikely choice.

Thus, even among those who did not plan to buy the advertised product in the next year, half (48%) of readers for whom a brand or store were first choice were interested in the relevant ads. Among the non-product prospects who said the brand or store was a possible choice, 37% expressed interest. For the non-product prospects who called a brand/store an unlikely choice, the interest level was at 14%.

Table 4 shows that among product prospects in the "first" and "possible choice" groups, the proportion of those interested in ads is nearly twice as great a among non-prospects. In the "unlikely choice" category, the interest among prospects was over 3 times greater even taking into account statistical variation. Again, there was virtually no difference in this respect from Wave I results.

TABLE 4: Ad Interest

	PROSPECT (Would/Might be a customer)			NON-PROSPECT (Would not be a customer)		
	first choice	poss-ible	un-likely	first choice	poss-ible	un-likely
Wave II	87%	75%	47%	47%	37%	14%
Wave I	90%	78%	48%	48%	33%	11%

3. Product and Ad Interest

As we have seen, product prospect status is responsible for a great deal of ad interest: those who are planning to buy pay greater attention to relevant ads than those who are not currently in the market.

But, of course, newspapers deliver both actual and potential customers: Four fifths of non-prospects (79%) open an average newspaper page. Like those who are currently in the market for advertised products, non-prospects are brought face-to-face with pages containing ads. Apart form the intention to buy, are there any other factors that influence readers' interest in advertisements?

Interest in ads transcends the effects of one's prospect status. This interest seems to reflect a complex process in which readers' pre-existing buying interest (prospect status) and pre-existing store/brand preferences, on the one hand, interact with products' inherent appeal and copy's creative appeal on the other. Thus, what advertisers bring to the ballgame is crucial to ads' success, whether or not readers are currently in the market for advertised products.

A paramount factor in securing readers' interest is the product itself. If we look at the most frequently advertised products in the survey (i.e., those with at least 1,000 responses and at least four ads per category), the differences in product appeal become apparent. While the average ad interest for all product categories/advertisers was 49%, some products and advertisers scored higher, while others received average ratings or dipped below the overall average, as Table 5 shows.

TABLE 5

HIGH AD INTEREST	MEDIUM +	LOW
supermarkets: 70%	discount stores: 58%	banks: 36%
airlines: 61%	department stores: 56%	auto dealers: 36%
	apparel (men): 53%	cigarettes: 22%
	apparel (women): 51%	

Furthermore, interest in ads differs from product to product both among prospects and among non-product prospects. As one would expect, prospects are more interested than non-prospects

in the case of all individual products. However, the variations in interest from product category to product category are as great among non-prospects as among prospects.

For example, among prospects for disposable diapers, interest is 96%, as compared to an interest level of 52% for cigarette ads among smokers (a 44 percentage point difference). Similarly, among non-prospects an interest score for vegetable oil is 48% vs. 9% for beer (a 39 percentage point difference).

Creative Treatment and Ad Interest

Does copy matter? Every ad in the survey was classified in terms of 27 characteristics unrelated to what was advertised. Among these were the size of the newspaper; the number of sections; the type of section in which the ad appeared; the position within the section; the day of the week; the time of publication; the ad's position on the page' its size; the presence of color; the type of headline; the size of illustration etc.

Contrary to what might be expected, ad interest shows no consistent relationship with copy's physical attributes. The explanation may lie in the "forced exposure" manner of posing the interest question. The respondent is asked to open to the page with the ad, to look at it and then say if the ad is interesting. Given this situation, it is plausible that physical characteristics have less bearing on interest than the ad's content or connotations.

On average this is true. But when we examine individual ads within the same product category, it becomes immediately apparent that copy's creative execution does matter a great deal: ads for the same product vary considerably in their ability to arouse readers' interest.

We analyzed ads for three product categories, which were among those most frequently tested: airlines, new cars and cigarettes.

Airline Ads

Among the airline ads, we tested nine that scored above or below the product category ad interest average of 61%. (Table 6)

TABLE 6

	ABOVE AVERAGE				BELOW AVERAGE				
AD #	1	2	3	4	5	6	7	8	9
Ad interest score	75%	70%	65%	63%	51%	47%	47%	47%	41%

First, we wanted to make sure that the differences between ads in two groups are statistically significant. Three pairs of ads were tested, each pair consisting of an ad from each group: the ads for the same airline (#1 and #9); the ads that appeared on the same day in the same paper (#4 and #8); the ad with the lowest interest score in the "above the average" group (#4) vs. the ad with the highest interest score in the "below average" group (#5).

In every case, the differences between the groups proved statistically significant ($p <= .015$).

Next, we tried to establish what creative features might have accounted for the differences in ad interest. Obviously, interest is influenced by many different points of view. However, as Table 7 demonstrates, all four of the above-average ads contain at least three of the four following copy elements.

- o multiple destinations;
- o multiple destinations boldly spelled out;
- o actual destination prices boldly spelled out;
- o sales of limited duration.

Only one of the ads whose interest levels were below average had more than one of the above features.

TABLE 7

Ad #	Interest Score	Ad Characteristics: Multiple Destination — Any Type	Multiple Destination — Large/Bold Type	Prices; Large/Bold Type	Sale/Limited Offer	Sum of +'s
Above Average Ads						
1	75%	+	+	+	+	4
2	70	+	+	+	+	4
3	65	+	-	+	+	3
4	63	+	+	+	+	4
Below Average Ads						
5	51%	+	-	-	-	1
6	47	+	-	-	-	1
7	47	-	-	+	-	1
8	47	+	-	-	+	2
9	41	-	-	-	-	0

In this small sample of airline ads, prices boldly spelled out and limited sales duration, taken together, probably are the most important copy points in generating high interest. All the high-scoring ads had both copy points. Three of the low-scoring ads had neither and the remaining two -- #7 and #8 -- had only one.

The next most important copy point was multiple destinations clearly spelled out. All the high-scoring ads referred to multiple destinations but so did three of the five low-scoring ads. However, none of the low-scoring ads boldly spelled out those destinations, while three of the four high-scoring ads did. The only high-scoring ad not to proclaim the multiple destination boldly was barely above average in interest.

Thus, it seems that the most popular "hot buttons" for this product category of ads are price, sales duration and multiple destinations <u>together</u> in the same copy.

<u>Cigarette Ads</u>

With the same caveats in mind (i.e., few ads and many individual readers' points of view), we subjected the cigarette ads tested in the surveys to a similar analysis. We divided the 12 cigarette ads into four groups:

1) those that scored well above the product category average (there was only one ad in this group);

2) ads that scored above average;

3) ads that were average or a little below;

4) ads that scored considerably below average.

Although the results are not as clearcut as might be wished, cigarette ads are more likely to gain readers' interest if they satisfy the following three conditions:

-- contain a realistic picture of the product (packs, cartons or individual cigarettes pictured and proportioned to look "like real");

-- contain a price incentive, e.g., "five free in a pack" or "30 for the price of 25" (This seems especially important in order to do well among non-prospects);

-- are simple and straightforward, not cluttered with the kind of copy or pictures that distract from the product or price incentive;

Finally, color alone does not seem to salvage ads that lack all of the above features.

TABLE 8

Ads			Ad Characteristics					
Group	Number	Interest Score	Realistic Picture	Price Incentive	No Distracting Copy	No Distracting Picture	Black and White	Sum of Pluses
I	1	39%	+	+	+	+	+	5
II	2	33%	+	+	+	+	+	5
	3	27	+	+	+	+	+	5
	4	26	+	-	-	-	-	1
	5	23	+	-	+	+	-	3
III	6	19%	+	-	-	+	-	2
	7	17	-	-	-	-	-	0
	8	16	-	+	-	-	-	1
	9	15	+	-	-	+	-	2
IV	10	13%	-	-	-	-	-	0
	11	10	-	-	-	-	-	0

New Car Ads

As before, we divided ads for new cars into four groups by interest levels:

1) ads that scored substantially above the product category average (there was one ad in this group);
2) ads that scored above average;
3) ads that scored slightly below average;
4) ads that scored considerably below average.

Judging by the results of this analysis, presented in Table 9, the following copy characteristics seem to enhance readers' interest in ads for new cars:

-- pictures of cars unobscured by cluttered environment;
-- sale announcements;
-- terms of financing (percent rate writ large);
-- engineering details - if they have a good story to tell, as in the case of the highest scoring ad for Mercedes-Benz.

The best results are achieved by combining a picture of the car with at least one of the other features.

In none of the above features is present, the new car ad is likely to score low on interest. This is true even for such a respected car as Volvo. Unlimited mileage in a warranty, which was the message of the two Volvo ads in the survey, did not make up for the absence of the other features. The same is true of collision resistance (ad #8).

The copy characteristics were distributed among the new cars ads in the survey as follows:

TABLE 9

Ads			Ad Characteristics						
Group	Number	Interest Score	Car Picture(s)	Sale	% Financing	Engineering	Unlimited Warranty Mileage	Collision resistance	Sum of +'s
I	1	53%	+	-	-	+	-	-	2
II	2	42%	+	-	+	-	-	-	2
	3	40	+	+	-	-	-	-	2
III	4	36%	-	-	+	-	-	-	1
	5	33	-	+	-	-	-	-	1
IV	6	30%	-	-	-	-	+	-	1
	7	30	-	-	-	-	+	-	1
	8	29	-	-	-	-	-	+	1

While each of the three product categories discussed here requires its own special creative approaches to achieve maximum effect, at least two principles seem to apply to the ads for all three product categories.

One is that the main points of a copy should be boldly spelled out so that the reader can quickly and easily grasp them. The other prescription for generating interest is that the main points be spelled in enough detail so that the reader would find it useful to think about the message at least a little. The reader may, for instance, ponder the list of destinations to see if he or she might be going to any of them. Or the reader may evaluate feelings of need for specific engineering features of the advertised car.